Innovative Drug R&D in China
(Second Edition)
– New Developments and Future Prospects
Report Description

Largely due to the constant cultivation and support of the Chinese government as well as the entrance of a large number of the global drug companies that conduct R&D in China, a healthy R&D environment is being formed in China in the recent years. It has been fostering the growth of a large number of Chinese organizations, including both drug companies and research institutions, that are being engaged in research and development of innovative medicines. Although still young at present, these drug R&D-focused Chinese organizations are growing extremely fast and playing increasingly important roles in the world pharmaceutical industry. Innovative drug R&D in China has indeed gained strong growth momentum at this moment.

As China has been widely recognized the third major drug R&D center of the world after the US and Europe, it is expected that China’s determination and effort to raise the standard of R&D infrastructure will make the country better suitable for innovative drug research in the future. This factor, coupled with its large market capacity and still high future growth potential, has made China extremely attractive to global drug companies for research and development of new medicines. To these multinational companies, the full-scale drug R&D practice in China has now become not only feasible but also meaningful.

The report, “Innovative Drug R&D in China (Second Edition) – New Developments and Future Prospects”, published by JZMed, Inc, a world renowned market research firm specialized in pharmaceutical and biotechnology industries, has conducted so far the most complete and comprehensive investigation on the current state of innovative drug R&D in China, including its current research scope and scale, R&D focus and capability, and its product pipeline development stages as well as future growth potentials. It is designed to help global drug companies better understand the current strengths and weaknesses of the R&D-focused Chinese organizations in new drug research and development, so that they could formulate their best strategies in the Chinese pharmaceutical market.

The report is a must-read book to global pharmaceutical and biotechnology companies that are seeking research collaboration with Chinese organizations, venture capital investors interested in investment opportunities in the Chinese pharmaceutical and biotechnology industries, market research/consultancy firms seeking the information of the development situation of China’s drug R&D industry, and even the government agencies of those countries that are interested in learning the current and future development of China’s biotechnology industry.
Key Findings of the Report

Drug R&D has received intensive attention in China in the recent years. Besides a large number of the drug R&D-focused biotech companies that have emerged in the country, a growing number of those traditional Chinese pharmaceutical companies that used to be almost exclusively focused on generic drug manufacturing, have also increased their investment in innovative drug R&D.

Meanwhile, attracted by the fast growth of the Chinese pharmaceutical market and the skills and experiences of the local scientists, more and more drug companies around the world have become interested to conduct drug R&D in China, including establishing wholly-owned R&D centers, collaborating/partnering with local companies or research institutions that possess the desired technical capabilities, and conducting clinical trials so that they could launch as many of their products in the Chinese market as possible, etc.

The entrance of these multinational drug companies and their extensive R&D activities in China, including close collaborations with local partners, have been promoting the R&D capabilities of the Chinese organizations. To a large extent, it accelerates the fast growth of the entire Chinese pharmaceutical industry, in particular in the area of innovative drug R&D.

At present a number of the Chinese pharma and biotech companies that have R&D programs have relatively rich funding in hands. The public funding from both central and local government has played an important role in initiation of their innovative drug R&D programs. The Chinese government has also recently established a number of VC-like funds to strengthen its support for innovative drug research in the country.

The private funding, in particular venture capitals, has also becoming more and more abundant in China in the recent years. A large number of the global venture capital investors, including the corporate venture funds of those major pharma/biopharma companies, have established their investment offices in China. Meanwhile, the domestic venture capital investors, including corporate ventures, have also been emerging in the recent years.

At present most Chinese companies that have internal R&D programs spend about 3–5% of their sales revenues in R&D. Largely due to the need of clinical tests, in the recent couple of years the R&D expenditure in some Chinese companies has been increasing significantly. Their R&D spending has thus risen to about 5–8% of their annual sales. The current total annual R&D spending of the entire Chinese life science-related industry on innovative drugs is about $5.0 B.
Although until now the R&D activities focusing on small molecule drugs have been prevailing in most Chinese organizations, in the recent several years a growing number of the Chinese companies have also increased their investment in biologic drug R&D, including novel antibodies. Their R&D capabilities in this new area have also been improved both rapidly and significantly.

Although still at early development stage at present, innovative drug R&D has truly taken off in China. The total number of the drug candidates in various development stages in the pipeline of the Chinese drug R&D industry has been more than doubled over the past four years.

On the other hand, no matter whether in terms of the research capability or the scale of the industry, innovative drug R&D in China is just at its beginning. The entire Chinese R&D industry still lacks sufficient experience. The majority of the Chinese companies still do not have direct experiences in running drug development from the very beginning to the last step for innovative drugs.

However, as local government, private companies, and research institutions are all paying attention to improving their capabilities in this area, China’s innovative drug R&D industry is expected to continue fast growing in the foreseeable future. Moreover, as their China operation plays increasingly important roles in their global landscape, more global major pharma and biopharma companies are expected to integrate their China R&D into their global network while developing more drugs that target the local patients.
Key Features of the Report

- The report has conducted in-depth investigations and studies of the drug R&D industry in China. It analyzes the country’s current infrastructure in drug R&D, funding sizes and opportunities from both public and private sources, R&D spending levels of those major players, and types of R&D force and their roles in this Chinese industry, etc.

- The report reveals the current drug R&D capabilities and pipelines of those major R&D-focused Chinese companies/research institutions in each type of therapeutics, including small molecule drugs, therapeutic proteins and antibodies, vaccines, and biosimilars. It has revealed the latest development state of this Chinese industry.

- Furthermore, the report analyzes the current investments and R&D activities of the global major pharma and biopharma companies as well as the drug R&D-focused biotech companies in China, and their strategies and motivations in the local market. It has thus depicted a whole picture of the innovative drug R&D in China at present.

- The report also conducted in-depth analysis on the possible future development of this Chinese industry, including all drivers and their roles in steering this Chinese industry. It has thus revealed the future growth potentials of the Chinese innovative drug R&D industry, including their possible roles in the future growth of the global pharmaceutical industry.

- The report provides clear insights of both the current state and future growth potentials of China’s innovative drug R&D industry. It will greatly help the global drug R&D-focused companies better understand this Chinese industry and thus formulate their best strategies in the Chinese market.

- More significantly, the report contains a large number of case studies that cite a variety of R&D activities of both local and global pharma and biotech companies. It has thus revealed the current focuses of the domestic companies in innovative drug R&D and the new strategies of the multinational companies in the Chinese market.
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JZMed, Inc. (www.jzmedi.com) is a leading market research firm specialized in pharmaceutical outsourcing industry. The company’s primary focus is to provide intelligence services to global pharmaceutical, biotechnology and investment companies to help them better understand the latest development trends of the global pharmaceutical outsourcing industry so that they are able to formulate their best strategies to tap the resources and opportunities in the industry. So far JZMed has provided this type of services to a variety of companies worldwide, including world top pharmaceutical and biotechnology companies, professional outsourcing service providers and a large number of investment companies/banks including the largest ones in the Wall Street.
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